



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 15, 2014

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To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

JUNE 3, 2014 PRIMARY ELECTION BALLOT MEASURES

This memorandum is to provide you with information about the two statewide propositions on the June 3, 2014 Primary Election Ballot. The Board has no position on these measures. The official titles of the measures are:

- **Proposition 41:** Veterans Housing and Homeless Prevention Bond Act of 2014. Initiative Statute.
- **Proposition 42:** Public Records. Open Meetings. State Reimbursement to Local Agencies. Legislative Constitutional Amendment.

Attachment I includes a summary of each proposition and comments from affected County departments. Attachment II is a list of all local jurisdiction measures which have qualified for the June ballot.

If you have any questions or require additional information, please have your staff contact Manuel Rivas, Jr. at (213) 974-1464.

WTF:RA
MR:VE:PC:ma

Attachments

c: Executive Office, Board of Supervisors
County Counsel
All Department Heads
Legislative Strategist

Memos 2014/June 3 Primary Election Ballot Measures_051514

"To Enrich Lives Through Effective And Caring Service"

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PROPOSITION 41: VETERANS HOUSING AND HOMELESSNESS PREVENTION BOND ACT OF 2014. Initiative Statute. COUNTY POSITION: NONE

Under this measure, the State would provide financial assistance to qualified local governments, nonprofit and private developers, such as low-interest loans, to fund housing projects for veterans who are at risk for homelessness or who are experiencing temporary or chronic homelessness and in need of mental health, substance abuse treatment, and employment services. This measure would:

- 1) Leverage Federal, State and local private and nonprofit program and fiscal resources;
- 2) Prioritize projects that combine housing and supportive services, including, but not limited to job training, mental health and drug treatment, case management, care coordination, or physical rehabilitation;
- 3) Promote public and private partnerships;
- 4) Foster innovative financing opportunities; and
- 5) Ensure that program guidelines and terms provide threshold requirements to advance applicants for the bond funding with experience in combining permanent or transitional housing, or both, with supportive housing for veterans, or for partnering with housing developers or service providers with experience offering housing and services to veterans.

At least 50 percent of the funds awarded for capital development must be used to provide housing for veterans with extremely low incomes. At least 60 percent of the units funded and targeted for extremely low income households must be supportive housing.

Background. In 2008, voters approved Proposition 12, the Veterans' Bond Act, which provided \$900.0 million in general obligation bonds to help veterans purchase single family homes, farms, and mobile homes through the CalVet Farm and Home Loan Program. Since the passage of Proposition 12, the full \$900.0 million remains unspent. This is due largely to the fact Proposition 12 restricted the use of the bond funds to single family homes at a time when the need for multi-family and supportive services housing for veterans significantly increased.

County-supported AB 639 (Chapter 727, Statutes of 2013) enacted the Veterans Housing and Homeless Prevention Act of 2014, now known as Proposition 41, which seeks voter approval to restructure \$600.0 million of the \$900.0 million in bond funding provided in Proposition 12 for multi-family and supportive services housing.

Legislative Analyst's Office Report. The Legislative Analyst's Office (LAO) estimates that the cost of the bonds would depend on their interest rates and the time period over which they are repaid. The LAO assumes that interest rates would average five percent, be sold over the course of five years, and repaid over a ten-year period.

Based on these assumptions, the LAO estimates costs to the taxpayers to repay the bonds would average approximately \$50 million annually for 15 years. The LAO indicates this amount is less than one-tenth of one percent of the State budget.

Affected County Departments. The Department of Military and Veterans Affairs (MVA) indicates that this measure promotes the goal, outlined by the White House and Secretary of Veterans Affairs, of ending veteran homelessness by 2015, and that increasing supportive housing availability for veterans is especially critical now to address the needs of returning Iraq and Afghanistan veterans. According to MVA, housing subsidies have decreased due to the Federal sequestration, and voter approval of Proposition 41 would make funding available for veterans' multi-family housing with a focus on supportive housing services.

The Community Development Commission (CDC) indicates that Proposition 41 may provide supplemental funding to existing CDC-administered programs, potentially providing a much-needed funding source to increase the supply of affordable housing for veterans who are homeless or at risk of homelessness.

The Departments of Public Health (DPH) and Mental Health note that providing affordable housing in coordination with supportive program services, including mental health counseling and substance abuse treatment, can help reduce the number of homeless veterans. DPH indicates that Proposition 41 would promote efforts to provide comprehensive, coordinated, and cost-effective program services to help returning veterans stabilize their lives.

Support and Opposition. Proposition 41 is supported by: Governor Jerry Brown; Assembly Speaker Emeritus John Pérez; Assembly Speaker Toni Atkins; the Southern California Association of Non-Profit Housing; American Legion; Veterans of Foreign Wars; California Labor Federation; California Department of the Military Order of the Purple Heart; Military Officers Association of California; California Association of Veteran Service Agencies; California State Sheriffs' Association; Veteran Resource Centers of America; Corporation for Supportive Housing; County Alcohol and Drug Program Administrators' Association of California; Urban Counties Caucus, and others.

Opposition to Proposition 41 is unknown.

PROPOSITION 42: PUBLIC RECORDS. OPEN MEETINGS. STATE REIMBURSEMENT TO LOCAL AGENCIES. Legislative Constitutional Amendment.
COUNTY POSITION: NONE

PROPOSITION 42 would amend the State Constitution to require that local agencies comply with the California Public Records Act (CPRA) and Ralph M. Brown Act (Brown Act) at their own cost, exempting the State from any mandate reimbursement claims.

Background: The California Public Records Act (CPRA) provides that any person has the right to inspect and receive copies of public records. Subsequent legislative amendments mandated public agencies to follow certain procedures in complying with CPRA. Under current law, these additional processes are deemed as State reimbursable mandates. The Ralph M. Brown Act (Brown Act) requires that all meetings of a legislative body of a local agency be open and public. Under the Brown Act, several procedural provisions had been reimbursable. However, Proposition 30 of 2012, the Temporary Taxes to Fund Education. Guarantee Local Public Safety Funding. Initiative Constitutional Amendment, removed the State's responsibility to reimburse local governments for these claims.

Proposition 42, as proposed by SCA 3 (Chapter 123, Statutes of 2013), would amend the State Constitution to require local agencies to comply with all CPRA and the Brown Act provisions while exempting the State from reimbursing municipalities for fulfilling these mandates. It would further provide that any subsequent legislative amendments or successor acts to CPRA and the Brown Act would be similarly exempted from State mandate reimbursement. Specifically, this measure would amend and create exemptions to Section 6 of Article XIII B of the California Constitution, as added by Proposition 4 (The "Gann Limit" Initiative) of 1979, which stipulates that the State must fund any new requirements it imposes on local governments.

Legislative Analyst's Office Report. The Legislative Analyst's Office (LAO) notes that by eliminating the State's responsibility for paying local government costs to follow CPRA, Proposition 42 would result in savings to the State and comparable revenue reductions to local governments. The LAO additionally notes that the measure could also influence State legislators to further amend CPRA more than they would have otherwise, passing on additional costs to local governments.

The LAO indicates that this measure would reduce State payments to local governments by tens of millions of dollars annually statewide. The LAO further notes that, with the potential imposition of new CPRA requirements, local governments could incur additional annual costs in the tens of millions of dollars statewide.

County Fiscal Impact. Because current Brown Act provisions are constitutionally exempted from State mandate claims, only future, potential amendments to the Act could increase local government costs. Prior to the 2012 constitutional exemption, Brown Act mandates cost the County an estimated \$200,000 to \$300,000 on average annually. According to the Auditor-Controller, the last time the State reimbursed the County for these costs was in FY 2002-03 with a partial payment of \$52,145, for an annual claim totaling \$307,379. Under existing law, the State continues to be liable for certain CPRA mandates. However, because the Commission on State Mandates only recently approved CPRA reimbursement claims dating to 2002, the County has yet to complete its extensive survey of costs for all County departments. Based on early County estimates, this measure would likely cost the County a few million dollars annually. Additionally, the Executive Office of the Board reports concerns that under this measure, the County may expect additional costs for future legislative amendments to either Act.

Affected Departments. CPRA and Brown Act provisions, and related costs, generally apply to most, if not all, County departments, agencies, and commissions.

Support and Opposition. Proposition 42 is supported by Governor Jerry Brown; California Association of Realtors; Californians Aware; California Common Cause; California Newspaper Publishers Association; State Senator Cathleen Galgiani; First Amendment Coalition; League of Women Voters of California; State Senator Mark Leno; Assemblymember Dan Logue; Pacific Media Workers Guild, CWA Local 39521; State Senator Darrell Steinberg; and State Senator Lois Wolk.

Proposition 42 is opposed by the California Association of Clerks and Election Officials and Rural County Representatives of California.

**LOCAL JURISDICTION MEASURES APPEARING ON THE
JUNE 3, 2014 PRIMARY ELECTION BALLOT**

CULVER CITY UNIFIED SCHOOL DISTRICT

Measure CC - To upgrade and repair Culver City schools and support quality education with funding that cannot be taken away by State government, shall Culver City Unified School District improve classrooms, science labs, computers/learning technology, repair leaking roofs, old plumbing, inadequate electrical systems, and aging school buildings/restrooms, improve school safety, remove hazardous asbestosis, make needed seismic repairs, and upgrade, construct, and acquire classrooms, school facilities, sites/equipment, by issuing \$106,000,000 in bonds, at legal rates, with independent oversight and audits?

DOWNEY CITY

Measure B - Shall section 702 of the Charter be amended to remove the requirement that the City shall provide staffing of the police and fire departments through its own staff and to remove the requirement that a two-thirds advisory vote is necessary before the City Council may consider alternative methods or agreements for providing police and fire services?

GLENDALE CITY

Measure G - Shall the Charter be amended to require that any vacancy occurring in the council, city clerk or city treasurer be filled by a majority vote of the council within 30 days or by calling a special election and such appointee shall serve for the remainder of the unexpired term if the term is up at the next general municipal election, and if not, and time for nominations has not yet commenced than stand for election?

MONTEREY PARK CITY

Measure A - Shall an ordinance that changes the General Plan and Zoning Map land use designation from a commercial zoning designation to a residential zoning designation and approves a Specific Plan for construction of single family detached homes on the property located at 2015 Potrero Grande Drive be adopted?

SIGNAL HILL CITY

Measure U - Shall the proposed citizens' initiative Requiring 2/3 Vote For All Taxes, Assessments And Fees; Expiration Of Taxes and Fees Within 10 Years, Assessments Within 20 Years; Requiring Bond Repayment In 20 Years Initiative Charter Amendment be adopted?

WHITTIER CITY

Measure W - Shall Ordinance No. 3011 be approved to amend the City Charter to require the City Council to establish four equal, geographically-based districts from which council members will be elected by residents of those districts to serve four-year terms, and to establish a citywide elected mayor position to serve a two-year term?